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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/814,954	03/31/2004	Edward J. Coad	14846-24	7234

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DOCKET ADMINISTRATOR  
LOWENSTEIN SANDLER PC  
65 LIVINGSTON AVENUE  
ROSELAND, NJ 07068

EXAMINER
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CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
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3695

MAIL DATE	DELIVERY MODE
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04/02/2009

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/814,954	<b>Applicant(s)</b> COAD ET AL.	
	<b>Examiner</b> SIEGFRIED E. CHENCINSKI	<b>Art Unit</b> 3695	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 17 March 2009.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-11 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-11 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on March 17, 2009 has been entered.

### ***Applicant Admitted Prior Art***

2. Applicant has failed to traverse the examiner's Official Notice given in the last Office Action regarding the well known nature of the following limitations:

\* In claim 1 - "protecting a position" was well known at the time of Applicant's invention.

\* In the following claims:

Claim 2. a national best bid/offer price for the contracts

Claim 4. placing a facilitation order on the at least one automated exchange if an order is placed for more than a predetermined number of contracts.

Claim 5. A method in accordance with claim 4 further including the step of placing a contra order against the order on the at least one automated exchange.

Claim 9. automatically hedging an order.

Therefore, one limitation in claim 2 and the limitations of dependent claims 2, 4, 5 and 9 have become Applicant Admitted Prior Art (AAPA) per MPEP MPEP 2104 C 2nd parag.

- AAPA - Applic. Admission due to lack of or inadequate Travelsal:

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner

should include an explanation as to why it was inadequate.  
Therefore, "protecting a position" is now Applicant Admitted Prior Art (AAPA).

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**3. Claims 1-11 are rejected under 35 U.S.C. 101** because the claimed invention is not supported by either a concretely asserted utility or a well established utility. Independent claim 1 contains three conditional "if" statements. Such conditional limitations result in a lack of concreteness. Should the specification support amendment to concrete language, Applicant may want to consider replacing these "if" words with the word "when" and consider other limitation language to establish concreteness. Dependent claims 2-11 are rejected due to their dependence on rejected claim 1.

**4. Claims 1-11 are rejected under 35 U.S.C. 101** because the claimed invention is directed to non-statutory subject matter. The first limitation of independent claim 1 does not have a clear statement showing that only an apparatus is performing the step such that human intervention is not possible. The phrase "client workstation" does not positively establish that a human is not able to participate in the step, since information could come in in numerous ways and have a human enter the information into the system and have it be thus received.

***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

**5. Claims 1-11 are also ejected under 35 U.S.C. 112, first paragraph.**

Specifically, since the claimed invention is not supported by either a concretely asserted utility or a well established utility for the reasons set forth above, one skilled in the art clearly would not know how to use the claimed invention.

**6. Claims 1-11 are rejected under 35 U.S.C. 112, first paragraph** as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The indefiniteness in claim 1 creates the enablement problem.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

**7. Claims 1-11 are rejected under 35 U.S.C. 112, second paragraph**, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The indefiniteness is described in the above rejections under 35 USC 101.

Applicant is advised to bring the claims into statutory compliance but is advised not to add new matter to the claims.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**8. Claims 1-11 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Gutterman et al.(US Patent 5,297,031, hereafter Gutterman) in view of Applicant Admitted Prior Art (hereafter AAPA) and Patterson, Jr. et al. (US Patent 5,774,877, hereafter Patterson).

**Re. Claim 1**, Gutterman discloses “a broker workstation for managing orders in a market for trading commodities, securities, securities options, futures contracts and futures options and other items including: a device for selectively displaying order information; a computer for receiving the orders and for controlling the displaying device; and a device for entering the orders into the computer; wherein the displaying device comprises a device for displaying selected order information about each incoming order, a device for displaying a representation of an order deck and a device for displaying a total of market orders. In another aspect of the invention, there is provided in a workstation having a computer, a device for entering order information into the computer and a device for displaying the order information entered, a method for managing orders in a market for trading commodities, securities, securities options, futures contracts and futures options and the like comprising the steps of: selectively displaying order information incoming to the workstation; accepting or rejecting orders corresponding to the incoming order information displayed; displaying accepted order information in a representation of a broker deck; and selectively displaying a total of orders at the market price.” (Abstract). Gutterman discloses manual trading execution through the open pit open outcry method (Col. 1, 32-37). Gutterman also discloses that firms which are members of exchanges are the intermediaries who bring trading orders to the exchange appropriate for executing the trade of a given security (Col. 1, 45-47). Gutterman also discloses an automated online method for a transaction interface for processing commodities and financial securities, futures contracts and futures options trading orders through a broker intermediary system (Col. 5, l. 59 – Col. 6, l. 15). As such, Gutterman discloses a method for providing a transaction interface to a plurality of exchanges, said plurality of exchanges comprising at least one automated exchange and at least one non-automated exchange, said method comprising:

- Receiving, at a client work station, a client order comprising one or more contracts (Col. 5, l. 64);
- Automatically selecting, by a facilitation server, one of the plurality of exchanges for execution of the client order based on the one or more contracts in the order (Col. 1, ll. 45-47; Col. 6, ll. 6-9. For example, Merrill Lynch receives the order and decides which exchange to transact the order with based on the nature of the commodity order, such as shares listed on the NYSE (Col. 5, ll. 4-5) or another item being traded on the Chicago Board of Trade, perhaps a commodity futures contract), wherein the electronically selected stored routing rules do not handle cancel/replace messages (Guttermann discloses this step to be handled by a human, the broker, meaning that the automation rules do not handle cancel/replace messages (Col. 4, ll. 35-43; Col. 6, ll. 51-55).
- Based on electronically stored routing rules (Col. 6, ll. 33-35)
  - automatically delivering, by the facilitation server, the order to the selected exchange for execution (Fig. 3a);
  - if, based on electronically stored routing rules, the selected exchange is the at least one non-automated exchange, automatically monitoring, by the facilitation server, said transaction in order to take a further position in the order's contracts, if necessary (Col. 6, ll. 58-60).

Guttermann does not explicitly disclose replace messages. However, Patterson discloses cancel/replace messages (Col. 20, bottom in table; Col. 26, ll. 59-67).

Guttermann does not explicitly disclose "if, based on electronically stored routing rules, the selected exchange is the at least one automated exchange, further processing said order to protect a position. However, AAPA discloses protecting a position. Further, as stated above, Guttermann discloses electronic replication of the broker's management of the orders in the broker's deck (Col. 6, ll. 33-35), which makes this limitation obvious to the ordinary practitioner of the art.

Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosure of Guttermann, AAPA and

Patterson with the practitioner's own knowledge in order to have developed a method for providing a transaction interface to a plurality of exchanges, motivated by a desire to apply computer-based techniques for managing orders placed in a physical market for trading instruments such as stocks, bonds, stock options, futures options and futures contracts on commodities including agricultural products, financial instruments, stock market indices and the like (Guttermann, Col. 1, ll. 6-11).

**Regarding dependent claims 2-11,**

Claims 3, 6-8, 10 and 11 would have been obvious to the ordinary practitioner in Guttermann:

Claim 3, selecting the at least one automated exchange if the order can be executed on the at least one automated exchange.

Claim 6. creating an instrument evidencing the transaction.

Claim 7. providing a monitoring system to monitor the status of the order.

Claim 8. updating the monitoring system as each step occurs.

Claim 10. recording the execution of each step of the transaction.

Claim 11. A method in accordance with claim 1 further including the step of: recording the execution of each step of the transaction in a database.

The following claims are AAPA:

The following dependent claims are AAPA:

Claim 2. a national best bid/offer price for the contracts

Claim 4. placing a facilitation order on the at least one automated exchange if an order is placed for more than a predetermined number of contracts.

Claim 5. A method in accordance with claim 4 further including the step of placing a contra order against the order on the at least one automated exchange.

Claim 9. automatically hedging an order.

Therefore, re. claims 2-11, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosure of Guttermann, AAPA and Patterson with the practitioner's own knowledge in order to have developed a method for providing a transaction interface to a plurality of exchanges, motivated by a desire to computer-based techniques for managing orders placed in a physical market for trading



instruments such as stocks, bonds, stock options, futures options and futures contracts on commodities including agricultural products, financial instruments, stock market indices and the like (Guttermann, Col. 1, ll. 6-11).

### ***Response to Arguments***

9. Applicant's arguments filed March 30, 2009 regarding claims 1-11 have been fully considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

10. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Charles Kyle, can be reached at (571) 272-6746.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

Art Unit: 3695

***Commissioner of Patents and Trademarks, Washington D.C. 20231***

or Faxed to (571) 273-8300 [Official communications; including After Final communications labeled "Box AF"]

or Faxed to (571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

March 30, 2009

/Narayanswamy Subramanian/

Primary Examiner, Art Unit 3695